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concl:
method, and were in the second compression ratio corresponds to the DV compression method.

42. (New) Apparatus according to Claim 39, wherein said output means spectrum-diffusion modulates the input data. -

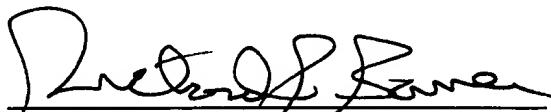
REMARKS

Consideration and allowance of the subject application are respectfully requested.

Claims 25-42 are pending in the application. Claims 25, 30, 34, and 39 are independent.

Applicants' undersigned attorney may be reached in our Washington, D.C. office by telephone at (202) 530-1010. All correspondence should continue to be directed to our below listed address.

Respectfully submitted,


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